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U. S. DEPT. OF AGRICULTURE
MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE MARKETING AREA
March 1970

Number 8

Released Pursuant to \$1090.27(j) and \$1090.85, USDA - C&MS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. B. McCroskey, Market Administrator

MARKET SUMMARY - MARCH 1970

The Chattanooga Order MINIMUM uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - \$6.30 and Excess Milk - \$4.58. The producer butterfat differential is 8.0 cents for each one-tenth of one percent above or below 3.5% test. This is a Base and Excess price increase of 23 cents and 30 cents respectively above March 1969.

In March 1970, 71.8% of the producer milk received by pool plants was priced in Class I at \$6.78 per cwt. and 28.2% was priced in Class II at \$4.58 per cwt. The March butterfat differential for Class I was 8.1 cents and Class II was 7.8 cents.

Total producer milk received during March 1970 was 32,885,222 pounds which is an increase of 9,378,831 pounds or 39.9% compared with March 1969. Deliveries of producer Base milk exceeded producer milk used in Class I by 6,484,767 pounds or percentagewise only 78.5% of Base milk was used in Class I. The March daily average deliveries from 745 producers was 1,424 pounds. This compares to 611 farms delivering a daily average of 1,241 pounds per day during March 1969.

PLANTS DISTRIBUTING MILK IN FEDERAL ORDER NO. 90 AREA - MARCH 1970

The following pool and non-pool plants distributed milk on routes in the Chattanooga, Tennessee marketing area and were subject to Federal Order No. 90 regulation during March 1970. The other order plants were fully regulated by the Federal order listed.

POOL PLANTS - CHATTANOOGA

Happy Valley Farms, Inc.
Mayfield Dairy Farms, Inc.
Ray Moss Farms, Inc.
Nance Dairy, Inc.
Sealtest Foods
Tenn. Valley Milk Producers, Inc.

FEDERAL ORDER NO. 98 - NASHVILLE

Avalon Dairies, Inc.
Sealtest Foods

FEDERAL ORDER NO. 46 - LOUISVILLE

Ideal Pure Milk Company

FEDERAL ORDER NO. 33 - CINCINNATI

The Kroger Company Dairy

PARTIALLY REGULATED - CHATTANOOGA

Tro-Fe Dairy Company, Inc.

FEDERAL ORDER NO. 7 - GEORGIA

FEDERAL ORDER NO. 101 - KNOXVILLE
Broadacre Dairies, Inc.
Norris Creamery, Inc.
Pet, Inc.
Stoffell's Dairy, Inc.
Wolfe Enterprises, Inc.

Coble Dairy Products Cooperative, Inc.
Dempsey Bros. Dairies, Inc.
Meadowbrook Dairy, Inc.
Meadow Gold Dairies of Georgia
Superbrand Dairy Products, Inc.

COMPARISON OF MILK RECEIPTS AND UTILIZATION

	% Mar. '70 over Mar. '69	Mar. 1970 21	Feb. 1970 21	Mar. 1969 18
Number of Plants (Pool and Non-Pool)				
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	+ 39.9	1,060,814	1,033,703	758,271
Other Source	- 51.4	29,136	32,971	59,934
Other Federal Orders	+ 18.0	307,679	292,827	260,729
TOTAL MILK RECEIPTS	+ 29.5	1,397,629	1,359,501	1,078,934
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	+ 4.4	398,792	411,936	381,924
Skim - Regular	- 7.1	20,168	20,720	21,707
Skim - 2% Milk	+ 24.9	94,959	96,909	76,052
Buttermilk	+ 4.3	49,088	48,952	47,045
Flavored Milk and Drink	+ 14.2	16,894	17,326	14,789
Creams (Sweet and Sour)	+ 0.4	3,110	2,939	3,097
Sub-Total - Pkg. Products (Pool Plants)	+ 7.1	583,011	598,782	544,614
Other (Shrinkage, Inventory, etc.)		3,819	4,660	1,365
Sales to Non-Pool Plants		186,983	181,756	135,035
In-Area Sales by Non-Pool Plants		50,306	50,633	58,341
TOTAL CLASS I MILK	+ 11.5	824,119	835,831	739,355
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	+ 21.4	50,443	46,598	41,549
Cottage Cheese	+ 14.0	42,951	45,353	37,682
Powdered and Condensed Milk		16,128	-	15,647
Livestock Feed and Skim Dumped		7,451	6,218	6,930
Sub-Total - Used to Produce	+ 14.9	116,973	98,169	101,808
Shrinkage Class II		14,255	15,209	13,668
Other (Inventory Variation, etc.)		5,806	(20,241)	10,289
Bulk Sales to Non-Pool Plants		436,476	430,533	213,814
TOTAL CLASS II MILK	+ 68.9	573,510	523,670	339,579
Class I Pkg. Lbs. in Area - Pool Plants	+ 0.6	453,750	465,577	451,248
Class I Pkg. Lbs. Out of Area - Pool Plants	+ 38.4	129,261	133,205	93,366
Class I Pkg. Lbs. in Area - Non-Pool Plants		50,306	50,633	58,341
% Producer Milk of Gross Class I		128.7	123.7	102.6
% Producer Milk Priced in Class I		71.8	74.9	71.5

CLASS I DISPOSITION ON ROUTES IN THE MARKETING AREA
BY OTHER ORDER PLANTS AND PARTIALLY REGULATED DISTRIBUTING PLANTS

PRODUCT	MARCH 1970 Pounds	FEBRUARY 1970 Pounds	MARCH 1969 Pounds
Whole Milk	1,247,680	1,145,930	1,495,550
Skim - Regular	17,234	14,848	24,251
Skim - 2% Milk	133,225	117,805	104,640
Buttermilk	118,708	103,980	140,330
Flavored Milk & Drink	40,545	33,585	40,111
Creams (Sweet and Sour)	2,105	1,565	3,684
Total Pounds	1,559,497	1,417,713	1,808,566
Daily Average	50,306	50,633	58,341
Number of Non-Pool Plants	15	15	12

COMPUTATION OF PRODUCER UNIFORM PRICES
WEIGHTED AVERAGE PRICE

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MARCH 1970	Class %	Milk Pounds	Butterfat Test - %	Cwt. Price @ Test	Gross Value
Gross Class I		25,547,685	3.325		
Less Other Source		1,929,025	2.975		
Producer Milk Class I	71.8	23,618,660	3.353865	\$6.661631	\$1,573,387.98
Gross Class II		17,778,800	4.324		
Less Other Source		8,512,238	3.527		
Producer Milk Class II	28.2	9,266,562	5.250836	5.945652	550,957.53
TOTAL PRODUCER MILK (Cl. I + Cl. II)	100.0	32,885,222	3.888403		\$2,124,345.51
Less Fractional Adjustment					.10
Add Value of Overage					656.20
Add $\frac{1}{2}$ Producer-Settlement Fund Reserve					13,724.52
TOTAL VALUE AT TEST		32,885,222	3.888403	\$6.503609	\$2,138,726.13
Less Test over 3.5% @ 8.0¢ per point		32,885,222	.388403	.310722	102,181.62
TOTAL UTILIZATION VALUE AT 3.5%		32,885,222	3.5	\$6.192887	\$2,036,544.51
Less Reserve per \$ 1090.71(f)		32,885,222		.042887	14,103.49
WEIGHTED AVERAGE PRICE - 3.5% TEST		32,885,222		\$6.15	\$2,022,441.02

BASE AND EXCESS PRICES

	Milk Pounds	Cwt. Price @ Test	Amount	Gross Value
TOTAL PRODUCER MILK VALUE @ 3.5% TEST	32,885,222			\$2,036,544.51
Excess Producer Milk Used in Class I	-	-	-	
Excess Producer Milk Used in Class II	2,781,795	\$4.58	\$127,406.21	
UNIFORM EXCESS PRICE - 3.5% TEST	2,781,795	\$4.58		\$ 127,406.21
Total Value of Base Milk	30,103,427	6.341930		1,909,138.30
Less Producer-Settlement Fund Reserve	30,103,427	.041930		12,622.37
UNIFORM BASE PRICE - 3.5% TEST	30,103,427	\$6.30		\$1,896,515.93

MARCH 1970 MINIMUM PRODUCER PRICES CWT. F.O.B. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 8.0¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS
3.0	\$5.90	\$4.18	4.0	\$6.70	\$4.98	5.0	\$7.50	\$5.78
3.05	5.94	4.22	4.05	6.74	5.02	5.05	7.54	5.82
3.1	5.98	4.26	4.1	6.78	5.06	5.1	7.58	5.86
3.15	6.02	4.30	4.15	6.82	5.10	5.15	7.62	5.90
3.2	6.06	4.34	4.2	6.86	5.14	5.2	7.66	5.94
3.25	6.10	4.38	4.25	6.90	5.18	5.25	7.70	5.98
3.3	6.14	4.42	4.3	6.94	5.22	5.3	7.74	6.02
3.35	6.18	4.46	4.35	6.98	5.26	5.35	7.78	6.06
3.4	6.22	4.50	4.4	7.02	5.30	5.4	7.82	6.10
3.45	6.26	4.54	4.45	7.06	5.34	5.45	7.86	6.14
3.5	6.30	4.58	4.5	7.10	5.38	5.5	7.90	6.18
3.55	6.34	4.62	4.55	7.14	5.42	5.55	7.94	6.22
3.6	6.38	4.66	4.6	7.18	5.46	5.6	7.98	6.26
3.65	6.42	4.70	4.65	7.22	5.50	5.65	8.02	6.30
3.7	6.46	4.74	4.7	7.26	5.54	5.7	8.06	6.34
3.75	6.50	4.78	4.75	7.30	5.58	5.75	8.10	6.38
3.8	6.54	4.82	4.8	7.34	5.62	5.8	8.14	6.42
3.85	6.58	4.86	4.85	7.38	5.66	5.85	8.18	6.46
3.9	6.62	4.90	4.9	7.42	5.70	5.9	8.22	6.50
3.95	6.66	4.94	4.95	7.46	5.74	5.95	8.26	6.54

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES ^{1/}				HANDLER CLASS PRICES ^{1/}			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Mar.'69	\$5.90 ^{2/}	\$6.07	\$4.28	7.8¢	\$6.56	8.0¢	\$4.28	7.6¢
Apr.	5.71 ^{2/}	5.96	4.34	8.0	6.56	8.0	4.34	7.8
May	5.84 ^{2/}	6.08	4.37	8.0	6.45	8.1	4.37	7.8
June	5.73 ^{2/}	5.88	4.39	8.0	6.34	8.1	4.39	7.8
July	6.03 ^{2/}	6.20	4.41	8.0	6.50	8.1	4.41	7.8
Aug.	6.10	-	-	8.0	6.74	8.1	4.42	7.8
Sept.	6.29	-	-	8.0	6.85	8.1	4.49	8.0
Oct.	6.18	-	-	8.2	6.70	8.4	4.58	7.8
Nov.	6.01	-	-	8.0	6.47	8.2	4.62	7.8
Dec.	6.17	-	-	8.0	6.77	8.1	4.63	7.9
Jan.'70	6.29	-	-	8.0	6.78	8.2	4.67	7.8
Feb.	6.26	-	-	8.0	6.82	8.1	4.63	7.8
Mar.	6.15 ^{2/}	6.30	4.58	8.0	6.78	8.1	4.58	7.8
Apr.	-	-	-	-	6.73	8.2	-	-

Date	PRICE QUOTATIONS				PRODUCER MILK USE (Daily Average)			
	Chi.92° Butter	Chi.Area Powder	Minn/Wisc Mfg. Milk	Basic Formula	Class I		Class II	
	¢ Lb.	¢ Lb.	\$-Cwt-3.5%	Minimum	Pounds	Test-%	Pounds	Test-%
Mar.'69	66.39	23.04	4.28	4.33	542,370	3.40	215,901	5.50
Apr.	67.59	23.01	4.34	4.33	518,846	3.33	316,364	4.64
May	67.64	23.02	4.37	4.33	579,475	3.31	234,172	4.80
June	67.64	22.98	4.39	4.33	512,990	3.29	216,362	4.88
July	67.64	22.96	4.41	4.33	557,280	3.31	153,706	5.25
Aug.	67.80	23.01	4.42	4.33	559,555	3.30	212,789	4.82
Sept.	69.85	22.95	4.49	4.33	786,310	3.37	240,567	5.13
Oct.	68.23	22.93	4.58	4.33	796,489	3.41	237,254	5.66
Nov.	67.84	23.14	4.62	4.33	773,131	3.49	242,417	5.78
Dec.	68.45	22.96	4.63	4.33	736,616	3.46	284,057	5.76
Jan.'70	67.61	23.00	4.67	4.33	779,375	3.41	231,117	6.54
Feb.	67.60	23.15	4.63	4.33	774,028	3.42	259,675	5.73
Mar.	67.95	23.18	4.58	4.33	761,892	3.35	298,922	5.25

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK ^{3/}			PRODUCER DATA				Deliveries Per		
	No.	Total	Class I	No.	Total	Base	Average	Farm-----Pounds		
	Hdlrs.	Receipt	Use	Prod.	Delivery	Delivery	Test-%	Prod.	Base	Exc.
Mar.'69	18	1,078,524	739,355	611	758,271	688,137	4.00	1,241	1,126	115
Apr.	17	1,166,507	671,623	609	835,210	709,211	3.82	1,371	1,165	206
May	17	1,111,639	748,156	606	813,647	701,721	3.74	1,343	1,158	185
June	17	1,052,351	697,377	605	729,352	658,441	3.76	1,206	1,088	118
July	18	1,033,980	788,712	619	710,986	644,643	3.73	1,149	1,041	108
Aug.	19	1,170,556	761,915	620	772,344	-	3.72	1,246	-	-
Sept.	18	1,145,420	868,129	751	1,026,877	-	3.79	1,367	-	-
Oct.	19	1,154,387	869,889	756	1,033,743	-	3.93	1,367	-	-
Nov.	19	1,204,899	841,680	755	1,015,548	-	4.04	1,345	-	-
Dec.	20	1,310,785	792,076	773	1,020,673	-	4.10	1,320	-	-
Jan.'70	20	1,241,790	834,648	752	1,010,492	-	4.12	1,344	-	-
Feb.	21	1,359,501	835,831	748	1,033,703	-	4.00	1,382	-	-
Mar.	21	1,397,629	824,119	745	1,060,814	971,078	3.89	1,424	1,303	121

^{1/} Excludes Premiums^{2/} Weighted Average Price^{3/} Other Source is Gross minus Producer; Class II is Receipts minus Class I